

9. IPC ATHLETICS WORLD CHAMPIONSHIPS



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PURPOSE OF REPORT

1. The purpose of this report is to consider Council support for Christchurch to host the IPC Athletics World Championships in Christchurch in 2010.

EXECUTIVE SUMMARY

2. The IPC (International Paralympics Committee) Athletics World Championships are to be held in 2010. The games are the second largest single sport paralympic event in the world.
3. It is important to recognise the significance of this event. This is a major world-wide sporting event and one of the largest sporting events that Christchurch and New Zealand will be able to host. The Creating Strong Communities Portfolio Group has considered this event and supports it proceeding to the Council due to the event's significance and economic return to the city.
4. An expression of interest has been lodged by a local organising committee to host the games in Christchurch and after consideration by the IPC Christchurch, along with Barcelona, Spain has been invited to submit a formal bid to the IPC to host the games. This bid must be with the IPC by the end of June 2007.
5. It is proposed to hold the games over a 10 day period at QEII stadium in late January to early February 2010. The event will include up to 1,300 athletes, 900 officials and 200 media with an estimated economic impact to the city of over \$10 million.
6. In 1974 the city made a major investment to construct QEII stadium for the hosting of the 1974 Commonwealth Games – an event of monumental significance to the city. In more recent years the Christchurch City Council has invested over \$25 million to upgrade QEII partly in order to once again host events of the significance to the city that the Commonwealth Games were then – the 2010 IPC Athletics World Championships is just such an event.
7. In order to host the games a significant financial investment is required for the promotion, operation and upgrading of infrastructure for the games. Central to this investment is the need to construct a second athletics track for athlete warm-up as a requirement to be able to hold the competition.
8. In order to meet the minimum requirements for a bid document, confirmation of support including a financial commitment is required from Christchurch City Council to be included with support from other agencies in the final bid document.
9. The event will cost approximately \$3.5 million to hold, excluding any additional infrastructure upgrade or improvements. Given the size, cost, international exposure and \$10 million economic impact of the event for the city it is recommended that Council commit \$500,000 towards the event in 2009/10.

FINANCIAL IMPLICATIONS

10. The organising committee will assume all financial risk for the event and is working with other major funding agencies to secure additional funding commitments. The total operational budget for the event is approximately \$3.5 million and initial indications from the major local and national stakeholders are very positive. It is recommended that any Council support be conditional upon the organising committee securing sufficient additional third party funding to run a successful world-class sports event.
11. The IPC itself will also contribute up to 35% of the event cost to a maximum of 1 million Euros. This, however, is limited to the event itself and cannot be used for infrastructure purposes.

12. It is recommended that the Council support a bid to host the IPC Athletics World Championships in Christchurch to the total value of \$500,000. This figure is based on what would be a reasonable contribution towards the total cost of the event, expected contributions from other parties, the degree of alignment with the Council's sports and events strategies and the expected economic return of \$10 million in hosting the event.
13. The recommended amount of \$500,000 also follows a 1:20 ratio of Council investment to economic benefit which is a common benchmark for local authority investment in events.
14. It is recommended that the Council agree to provide support of \$500,000 to host this event. Should the Council agree to provide this level of support the funding would have to be provided in the 2009/10 budget. The following options have been identified as ways to allocate this funding:
 - (a) Use the existing Council events budget. However this is currently oversubscribed and may remain so into the future.
 - (b) Allocate funding from the community and civic component of the Capital Endowment Fund for the 2009/10 financial year.
 - (c) Allocate an additional sum of money in the 2009/19 LTCCP as a one off item.
15. Financial advice is that it is a legitimate request to ask the Council to commit this sum from a future LTCCP. The implication of doing this is that this sum must then be treated as committed expenditure in the 2009-19 LTCCP process.

LEGAL CONSIDERATIONS

16. By approving funding from the 2009/10 budget to support this event as recommended, the Council will be expected to honour this commitment to the event provided all conditions imposed on the funding are met.

ALIGNMENT WITH LTCCP, ACTIVITY MANAGEMENT PLANS AND STRATEGIES.

17. Support and hosting of major international events of this type have complete alignment with the LTCCP, the Community Outcomes, the Council's Events Strategy, the Recreation and Sport Policy and the Physical Recreation and Sports Strategy.

Legacy Benefits

18. A key rationale for pursuing this event is that there are good opportunities to use the event as a catalyst to boost the profile and participation levels in athletics and other sport for people with disabilities, athletics in general and sport overall. Christchurch is considered a world leader in provision of services for people with disabilities. The awarding of the World Leisure Innovation Award for the Southern Centre Multi-sensory Unit at QEII in 2006 by the World Leisure Organisation is recent testament to this.
19. An event of the magnitude of the IPC Athletics World Championships will not only showcase what Christchurch is doing in this field but will provide numerous opportunities to learn from others from around the world to ensure we continue to stay at that leading edge well into the future.

CONSULTATION FULFILMENT

20. N/A.

STAFF RECOMMENDATION

It is recommended that:

- (a) The Council support a bid for Christchurch to host the IPC Athletics World Championships in 2010.
- (b) The Council commit \$500,000 in the 2009/10 financial year for this event.
- (c) The funding be conditional upon the securing of sufficient alternative funding by the organising committee from other external sources to cover the operation of the event.
- (d) The anticipated economic benefit to the city of at least \$10 million be verified by an independent feasibility study.
- (e) This funding be applied solely to areas that will maximise the positive legacy to Christchurch in hosting this event.

BACKGROUND

21. The International Paralympic Committee (IPC) is the global governing body of the Paralympic Movement. The IPC organises the Summer and Winter Paralympic Games, and serves as the International Federation for 13 sports, for which it supervises and co-ordinates the World Championships and other competitions. The IPC is an international non-profit organisation formed and run by 162 National Paralympic Committees (NPCs) from five regions and four disability specific international sports federations (IOSDs). The IPC Headquarters and its management team are located in Bonn, Germany.
22. The IPC Athletics World Championships are held once every four years and involve:
 - 1,300 athletes
 - 700 to 900 national team officials
 - Estimated 200 media
 - An estimated economic impact to the city of \$10 million plus
23. The 2010 event will be the last time that the championships will be held as a stand-alone event. From 2014 onwards they will be combined with the Athletics World Championships and in this format will be outside the capacity of a city the size of Christchurch to hold.
24. With this in mind the IPC raised the bar in their expectations of standards for hosting the Athletics World Championships at the past event and has done so again for the 2010 event. This is evidenced by the requirement to have a full IAAF accredited warm-up track adjacent to the competition track and is also apparent in many other aspects of the event as indicated in their comprehensive bid and contract documentation.
25. This is not the first time Christchurch has put a bid in for the Championships. Christchurch lost out to Assen, Netherlands for the right to host the 2006 event and it is considered that one of the reasons the bid was lost was because of a lack of ability to show a firm financial commitment from the relevant partners in the bid.

Event Impact

26. A conservative estimate of the total number of competitors, officials and media expected into the city for the event will be 2,200. Tourism New Zealand figures quote the average spend per international visitor in 2006 at \$2,900. Using these figures and a generally accepted multiplier effect for the impact of this spend the total economic impact for the event will be around \$10,000,000.
27. International exposure for the event will be significant with 200+ media representatives expected to travel to Christchurch for the event and world wide television and media coverage.

Existing Capacity to Host

28. Christchurch as a city has the capacity to host the event and for the most part QEII has the required facility infrastructure except the provision of a second track located adjacent to the main competition track for athletes' warm-up. A second track would need to be constructed in time for the event to meet minimum requirements for hosting.
29. Initial cost estimates for a warm-up track range from \$725,000 for an asphalt track to \$1.5 million for an all-weather rubber-surfaced track. The International Paralympics Committee will commit a large amount of funding towards the event itself but this is not to be allocated to capital development of the host facility. It is therefore the responsibility of the host city to ensure the venue meets IPC and IAAF requirements.

30. It would be fair to say that at this stage the construction of a new track is the major hurdle to overcome in securing this event. Should the Council commit to this event It is likely that its financial contribution would be best placed into the building of the required warm-up track. Obviously additional funding from outside sources would also be required to complete this aspect of the project.
31. Whilst current demand indicates there is not an immediate need for a second athletics track at QEII there is an opportunity to construct an additional warm-up track for the event in such a way as to leave a positive legacy for QEII and for the city.
32. The timing of the IPC Athletics World Championships in 2010 will also provide a great opportunity to prepare, test and fine tune plans for the city's preparation for hosting the Rugby World Cup in 2011. There are many organisational and logistical aspects which are common to both events and from which the experiences gained from hosting the IPC Athletics World Championships can be applied to the Rugby World Cup in 2011 to ensure that Christchurch is in the best possible position to maximise that opportunity.

THE OPTIONS

Option 1

33. Decline to support the event bid.

Option 2

34. Support the event bid but without any financial commitment.

Option 3

35. Support the event bid with a financial commitment of a total of \$500,000.

Option 4

36. Support the event bid with a lesser financial commitment.

THE PREFERRED OPTION

37. Option 3 is the preferred option.

ASSESSMENT OF OPTIONS

Preferred Option

Option 3: Support the event bid with a financial commitment of a total of \$500,000

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> Increased awareness of issues involving people with disabilities. Enhanced opportunities for people with disabilities. Reduced barriers to participation in sport and recreation. Increased participation rates in sport and recreation across all communities. Enhanced feeling of wellbeing. Alignment to Councils commitment to high performance sport. 	<ul style="list-style-type: none"> Some social costs may occur through loss of public access to QEII facility during the event. Possible minor disruptions to citizens regarding transport infrastructure during event.
Cultural	<ul style="list-style-type: none"> Increased feeling of ethnic diversity from hosting visitors from other countries. Opportunity to showcase our city and NZ heritage. 	<ul style="list-style-type: none"> None
Environmental	<ul style="list-style-type: none"> Opportunity to showcase aspects of Christchurch's environmental successes worldwide. Opportunity to showcase Christchurch events as "green" events. Alignment to QEII concept plan. 	<ul style="list-style-type: none"> None
Economic	<ul style="list-style-type: none"> Estimated \$10 million of economic benefit to the city. Generation of additional full-time equivalent jobs from flow on effect of spending. Enhanced international exposure for Christchurch leading to additional visitors and increased visitor spending. Large financial return on investment. 	<ul style="list-style-type: none"> Requires major financial commitment from Council.

Extent to which community outcomes are achieved:

See main report.

Impact on the Council's capacity and responsibilities:

There will be a need to commit significant financial and human resource into the hosting of this event and in the preparation period immediately prior. This will require a commitment of resources from various Council units for a period of time. A positive of this required commitment is that this event will be a timely opportunity for the city to prepare for hosting the Rugby World Cup in 2011.

Effects on Maori:

NA.

Consistency with existing Council policies:

Strong alignment with existing Council policies. See main report.

Views and preferences of persons affected or likely to have an interest:

The event bid is supported by SPARC, Major Events New Zealand, Parafed Canterbury, Parafed NZ and many of the other major stakeholders (Red Bus, Major Accommodation Providers etc) have expressed their support for and confidence in Christchurch's ability to host this event. The IPC has expressed its desire for Christchurch to host the games by inviting a bid from the city.

Option 1: Decline to support the event bid

	Benefits (current and future)	Costs (current and future)
Social	None. Status quo (the bid will not go ahead)	Loss of opportunity to provide benefits as listed in the preferred option.
Cultural	None. Status quo (the bid will not go ahead)	Loss of opportunity to provide benefits as listed in the preferred option.
Environmental	None. Status quo (the bid will not go ahead)	Loss of opportunity to provide benefits as listed in the preferred option.
Economic	No additional Council spending required.	Loss of opportunity to provide benefits as listed in the preferred option.
Extent to which community outcomes are achieved: None. Status quo.		
Impact on the Council's capacity and responsibilities: None.		
Effects on Maori: None.		
Consistency with existing Council policies: Not inconsistent with existing policies but will not assist in achieving implementation of policies.		
Views and preferences of persons affected or likely to have an interest: Many local, national and international organisations have invested time and in some cases financial resources to advance this project to this stage. There will be major disappointment if the Council does not support this bid as it will not go ahead without Council support.		
Other relevant matters: If there is no indication of Council financial support for this event the bid will not go ahead.		

Option 2: Support the event bid but without any financial commitment

	Benefits (current and future)	Costs (current and future)
Social	None. Status quo (the bid will not go ahead)	Loss of opportunity to provide benefits as listed in the preferred option.
Cultural	None. Status quo (the bid will not go ahead)	Loss of opportunity to provide benefits as listed in the preferred option.
Environmental	None. Status quo (the bid will not go ahead)	Loss of opportunity to provide benefits as listed in the preferred option.
Economic	No additional Council spending required.	Loss of opportunity to provide benefits as listed in the preferred option.
<p>Extent to which community outcomes are achieved:</p> <p>None. Status quo.</p> <p>Impact on the Council's capacity and responsibilities:</p> <p>None.</p> <p>Effects on Maori:</p> <p>None.</p> <p>Consistency with existing Council policies:</p> <p>Not inconsistent with existing policies but will not assist in achieving implementation of policies.</p> <p>Views and preferences of persons affected or likely to have an interest:</p> <p>Many local, national and international organisations have invested time and in some cases financial resources to advance this project to this stage. There will be major disappointment if the Council does not even support this bid as it is unlikely to go ahead without Council financial support.</p> <p>Other relevant matters:</p> <p>If there is no indication of Council financial support for this event the bid will not go ahead.</p>		

Option 4: Support the event bid with a lesser funding commitment

	Benefits (current and future)	Costs (current and future)
Social	<ul style="list-style-type: none"> Increased awareness of issues involving people with disabilities. Enhanced opportunities for people with disabilities. Reduced barriers to participation in sport and recreation. Increased participation rates in sport and recreation across all communities. Enhanced feeling of wellbeing. 	<ul style="list-style-type: none"> Some costs may occur through loss of access to QEII facility during the event. Minor disruptions to citizens regarding transport during event.
Cultural	<ul style="list-style-type: none"> Increased feeling of ethnic diversity from hosting visitors from other countries. Opportunity to showcase our city and NZ heritage. 	<ul style="list-style-type: none"> None
Environmental	<ul style="list-style-type: none"> Opportunity to showcase aspects of Christchurch's environmental successes worldwide. Opportunity to showcase Christchurch events as "green" events. 	<ul style="list-style-type: none"> Temporary loss of Greenspace area at QEII park for warm-up track.
Economic	<ul style="list-style-type: none"> Compared to the preferred and recommended option this option would reduce the financial outlay required by Council. Estimated \$10 million of economic benefit to the City. Generation of additional full-time equivalent jobs from flow on effect of spending. Enhanced international exposure for Christchurch leading to additional visitors and increased visitor spending. Increased financial return on investment compared to Option 3. 	<ul style="list-style-type: none"> Requires major financial commitment from Council. Increased risk of event not going ahead due to additional pressure on organisers to find additional funding.

Extent to which community outcomes are achieved:

See main report.

Impact on the Council's capacity and responsibilities:

There will be the need to commit significant financial and human resource into the hosting of this event and in the preparation period immediately prior. This will require a commitment of resources from various Council units for a period of time. A positive of this required commitment is that this event will be a timely opportunity for the city to prepare for hosting the Rugby World Cup in 2011.

Effects on Maori:

NA.

Consistency with existing Council policies:

See main report.

Views and preferences of persons affected or likely to have an interest:

The event bid is supported by SPARC, Major Events New Zealand, Parafed Canterbury, Parafed NZ and many of the other major stakeholders (Red Bus, Major Accommodation Providers etc) have expressed their support for and confidence in Christchurch's ability to host this event. The IPC has expressed its desire for Christchurch to host the games by inviting a bid from the city.